

**Dinsmore & Shohl** LLP  
ATTORNEYS

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August 31, 2006

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PUBLIC SERVICE  
COMMISSION

**Via Hand Delivery**

Hon. Beth O'Donnell  
Executive Director  
Public Service Commission  
211 Sower Blvd.  
P. O. Box 615  
Frankfort, KY 40601

**Re: In the Matter of: A Certification of the Carriers Receiving Universal Service High Cost Support, Administrative Case No. 381**

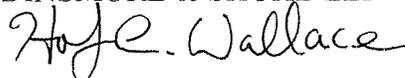
Dear Ms. O'Donnell:

We are legal counsel to Bluegrass Wireless, LLC, Kentucky RSA #3 Cellular General Partnership, Kentucky RSA #4 Cellular General Partnership and Cumberland Cellular General Partnership (collectively "Bluegrass Cellular"). In that capacity, and pursuant to the Kentucky Public Service Commission's July 8, 2005 orders in Case Nos. 2005-00017, 2005-00018, 2005-00019, and 2005-00020, we have been requested to file the enclosed original and ten (10) copies of Bluegrass Cellular's Annual Affidavit Regarding Use of Federal Universal Service High-Cost Support in Administrative Case No. 381.

Thank you, and if you have any questions, please call me.

Very truly yours,

DINSMORE & SHOHL LLP



Holly C. Wallace

Enclosure  
cc: Jim Stevens

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COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

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PUBLIC SERVICE  
COMMISSION

In the Matter of:

A CERTIFICATION OF THE CARRIERS ) ADMINISTRATIVE  
RECEIVING UNIVERSAL SERVICE ) CASE NO. 381  
HIGH COST SUPPORT )

**ANNUAL AFFIDAVIT OF BLUEGRASS WIRELESS, LLC, KENTUCKY RSA #3  
CELLULAR GENERAL PARTNERSHIP, KENTUCKY RSA #4 CELLULAR  
GENERAL PARTNERSHIP AND CUMBERLAND CELLULAR GENERAL  
PARTNERSHIP (COLLECTIVELY "BLUEGRASS CELLULAR") REGARDING  
USE OF FEDERAL UNIVERSAL SERVICE HIGH-COST SUPPORT**

Bluegrass Wireless, LLC, Kentucky RSA #3 Cellular General Partnership, Kentucky  
RSA #4 Cellular General Partnership and Cumberland Cellular General Partnership  
(collectively "Bluegrass Cellular"), hereby submit the attached affidavit regarding the use of  
Federal Universal Service High-Cost Support.

In order to receive federal support beginning January 1 of each year, the Kentucky  
Public Service Commission must file its annual certification on or before October 1 of the  
previous year. The attached affidavit should be accepted by the Kentucky Public Service  
Commission for the purpose of notifying the Universal Service Administrative Company  
("USAC") and the Federal Communications Commission ("FCC") that Bluegrass Cellular is  
eligible to receive high-cost support in accordance with 47 U.S.C. § 254(e).

Respectfully submitted,



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**Counsel to Bluegrass Wireless, LLC,  
Kentucky RSA #3 Cellular General  
Partnership, Kentucky RSA #4  
Cellular General Partnership and  
Cumberland Cellular General  
Partnership (collectively "Bluegrass  
Cellular")**

## AFFIDAVIT OF RON SMITH

I, the undersigned Ron Smith, do hereby declare under penalty of perjury as follows.

1. I am the authorized representative of Bluegrass Wireless, LLC, Kentucky RSA #3 Cellular General Partnership, Kentucky RSA #4 Cellular General Partnership and Cumberland Cellular General Partnership (collectively "Bluegrass Cellular"). I am personally familiar with the Federal Universal Service High-Cost Support received by Bluegrass Cellular and how these funds are used by Bluegrass Cellular.

2. Bluegrass Wireless, LLC was designated as an eligible telecommunications carrier by the Kentucky Public Service Commission in Case No. 2005-00017 by order dated July 8, 2005.

3. Kentucky RSA #4 Cellular General Partnership was designated as an eligible telecommunications carrier by the Kentucky Public Service Commission in Case No. 2005-00018 by order dated July 8, 2005.

4. Kentucky RSA #3 Cellular General Partnership was designated as an eligible telecommunications carrier by the Kentucky Public Service Commission in Case No. 2005-00019 by order dated July 8, 2005.

5. Cumberland Cellular General Partnership was designated as an eligible telecommunications carrier by the Kentucky Public Service Commission in Case No. 2005-00020 by order dated July 8, 2005.

6. Bluegrass Cellular estimates that it will receive a total of \$10,295,000.00 of Federal Universal Service High-Cost Support during the January 1, 2007 to December 31, 2007 time period. As stated above, Bluegrass Cellular consists of four entities (*see* Paragraph 1). The total cost of \$10,295,000 is composed of the following estimates per entity: a) Bluegrass Wireless, LLC will receive \$0; b) Kentucky RSA #4 Cellular General Partnership

will receive \$1,306,000.00; c) Kentucky RSA #3 Cellular General Partnership will receive \$1,958,000.00; and d) Cumberland Cellular General Partnership will receive \$7,031,000.00.

7. The Federal Universal Service Support funds Bluegrass Cellular receives during 2007 will be used for the provision, maintenance and upgrading of facilities and services for which the support is intended, as designated by the Federal Communications Commission consistent with Section 254(e) of the Federal Telecommunications Act of 1996. These funds will be used to provide the following supported services, as outlined in 47 C.F.R. § 54.101(a), which are available to any customer in Bluegrass Cellular's service area: voice grade access to the public switched network, unlimited local usage, dual tone multi-frequency signaling or its functional equivalent, access to emergency services, including 9-1-1 service or enhanced 9-1-1 service, access to operator service, access to interexchange service and access to directory assistance and toll limitation for qualifying low income customers.

8. Bluegrass Cellular follows Federal Communications Commission Part 32 accounting requirements for regulated local exchange carriers and Part 36 separations provisions used to determine high-cost support amounts.

9. While continuing to receive the estimated amount of Federal Universal Service support as described and using this support for the purposes as described, Bluegrass Cellular does not anticipate increasing local rates nor withdrawing any services; therefore, the comparability of rates and service between the rural areas served by Bluegrass Cellular and the urban areas of Kentucky will not be changed because of any action on the part of Bluegrass Cellular.

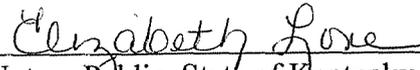
10. The matters addressed above are within my personal knowledge and are true and correct.



\_\_\_\_\_  
Ron Smith  
Authorized Representative  
Bluegrass Wireless, LLC, Kentucky RSA #3  
Cellular General Partnership, Kentucky RSA #4  
Cellular General Partnership and Cumberland  
Cellular General Partnership (collectively  
"Bluegrass Cellular")

COUNTY OF JEFFERSON            )  
  )  
STATE OF KENTUCKY            )

Sworn and subscribed before me, the undersigned authority, on this the 30 day of August, 2006.

  
\_\_\_\_\_  
Notary Public, State of Kentucky

My Commission expires 11/21/07.

(SEAL)